

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 719 - SB 1597**

March 6, 2021

**SUMMARY OF BILL:** Requires counties and authorizes municipalities to provide for ambulance service as an essential service.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – The extent and timing of any impact to local government cannot reasonably be determined. The extent and timing of any mandatory increase in local government expenditures for certain counties cannot reasonably be determined. \***

Assumptions:

- Pursuant to Tenn. Code Ann. § 7-61-102, counties and municipalities are authorized to provide for ambulance service as a public service.
- The proposed language would require counties to provide for ambulance service as an essential service, while authorizing municipalities to provide it as an essential service.
- Based on information provided by the Comptroller of the Treasury:
  - Ambulance service is provided in all 95 counties;
  - 86 counties provide ambulance service either directly through a county department or indirectly through a contracted service; and
  - Ambulance service within the remaining nine counties is provided through a privately-owned company or hospital which is not contracted with the county government.
- This analysis assumes:
  - Counties which currently have contracts for the provision of private ambulance service may experience instances where private ambulance providers increase the contract terms as a result of such service being required, instead of authorized;
  - The nine counties which currently do not have a contract with a private ambulance service will experience an increase in expenditures associated with either establishing a contract for services, or establishing their own ambulance service; and
  - Based on information provided by the Department of Health, designating ambulance service as an essential service may provide for opportunities for grants for local governments which are currently not available.
- Given the extent of unknown factors such as the extent of any changes in current contract terms for certain counties, the extent of any mandatory recurring increase in

local expenditures associated with new contracts or provision of ambulance service on nine counties, and the extent of any grant funds which may be awarded for the provision of the essential service, a precise impact to local government cannot be determined.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

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